

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 14, 1988

Mr. Lance Jackson Interstate Brick Company 9780 South 5200 West West Jordan, Utah 84084

Dear Mr. Jackson:

Re: Permit Transfer and Bonding Requirements, Interstate Brick's Utah Mining Operations

This letter is in response to your inquiry regarding the permitting requirements in the event that Interstate Brick is sold to another company. The Division would require that a permit transfer form be completed (see enclosed) for each of the mines listed below and that adequate reclamation bonding be posted. The existing bond amount is listed for each of the mine sites. I have estimated the bond amount for those sites where the bond is a Board Contract or where the bond is pending. The bonding liability for all 8 sites would be approximately \$373,000.

| Mine | File No. | Bond | Bond Estimate |
|-------------|-----------|------------------------------|--------------------------------|
| Montello | M/003/004 | \$286,584 Board Contract | \$40,000 |
| Koosharem | M/031/002 | \$23,022 State Lands Bond | |
| Cottonwood | M/035/003 | \$13,571 Board Contract | \$25,000 |
| Five Mile | M/045/006 | Pending | \$58,700 |
| Smokey Joe* | M/049/002 | \$19,260 Board Contract | Small Mine No bond required |
| Black Mine* | M/049/003 | \$8,811 State Lands Bond | |
| Powell | M/049/004 | Pending | \$155,500 |
| Jim Gay | M/049/005 | \$61,816 | |

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Note: These two mines will probably qualify as small mines under the new rules. A Small Mine Notice of Intention may be needed instead of a permit transfer in these two cases. The Black Mine will require bonding regardless of size since it is on state lands.

If you should need any additional information, please don't hesitate to call.

Sincerely,

Frank J. Filas

Reclamation Engineer

cc: L. Braxton

W. Hedberg

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